

Garanti contributes TL 355 billion to the economy and is the preferred Bank of more than 16 million customers

Türkiye Garanti Bankası A.Ş., announced its financial statements dated September 30, 2018. Based on the consolidated financials, Garanti's **asset size** reached TL 456 billion 328 million, its contribution to the economy through **cash and non-cash loans** increased to TL 354 billion 745 million 437 thousand. The Bank delivered an **ROAE** (Return on Average Equity) of 17.5% and **ROAA** (Return on Average Assets) of 2.0%.

Commenting on the topic, **Garanti Bank's CEO Fuat Erbil** stated that: 'We finished the third quarter of 2018 with a **solid balance sheet**, well above the required level **robust capital** and **liquidity via** successful management of the challenging market conditions. In light of our sustainable development priority, our **contribution to the economy reached TL 355 billion**. With all of our stakeholders' trust in our bank, our **customer, human and operational excellence centricity**, we overcame the challenges as one big team. The number of customers who prefer Garanti exceeded **16 million**. We **increased our customer deposit market share to 11.9%** with the trust of our customers. We pioneered a new era with our innovative service model capturing benefits of digitalization, where customers receive all kinds of services **from a single point** in the **fastest** and **easiest** way. We continue our work for an **inclusive** economy where all individuals equally benefit from the opportunities, support active participation of women in economic life and contribute to the development of Turkey's entrepreneurial ecosystem.'

Mentioning that Garanti was recognized "**Best Retail Bank in Turkey**" by World Finance Magazine and "**Best Retail Bank in Europe**" by European CEO Magazine for its innovative projects and solutions on customer experience, digital transformation in its branches, as well as its instant e-commerce loan, **Erbil** said: 'the international recognitions for our innovative projects on digital transformation and customer experience motivate us to excel and provide our customers with an excellent end-to-end banking experience. In the report published by Forrester Research, our mobile application Garanti Cep was named "**Europe's Best Mobile Banking Application**" in the category of user experience and #2 in total evaluation after BBVA. Furthermore, Global Finance named Garanti "**Best Consumer Digital Bank in Turkey**" and "**Best Consumer Digital Bank in Mobile Banking in Western Europe**". On behalf of Garanti and Turkey, we are proud of these achievements. I would like to thank all my colleagues and our stakeholders, who trust and support us.'

You may access the earnings presentation regarding the BRSA consolidated financial results as of and for the period ending September 30, 2018 from Garanti Bank Investor Relations website at www.garantiinvestorrelations.com

Selected Figures of Garanti Bank's Consolidated Financial Statements (September 30, 2018)

Profit before Taxes and Provisions*	TL 15,072 million	Loans	TL 278,189 million
Profit before Taxes	TL 7,405 million	Non-Cash Loans	TL 76,557 million
Net Income	TL 5,630 million	Total Assets	TL 456,328 million
Deposits	TL 274,721 million	Shareholders' Equity	TL 46,654 million

Highlights from Garanti Bank's Consolidated Financials

- Net income was TL 5 billion 629 million and 870 thousand.
- In compliance with the legal legislation and international regulations, a total amount of TL 9 billion 441 million and 826 thousand was reserved for tax provisions, expected credit losses and other provisions*.
- Total assets reached TL 456 billion 328 million.
- Return on Average Assets (ROAA) reached 2.0%. **
- Shareholders' equity reached TL 46 billion 654 million 311 thousand.
- Return on Average Equity (ROAE) reached 17.5%. **
- Contribution made to the real economy through loans and non-cash lending reached TL 354 billion 745 million 437 thousand as of September 30, 2018.
- Total loans, FC loans and TL loans market shares realized at 11.0%, 10.6% and 11.2% respectively.
- Market share of "consumer mortgage loans" was 12.5% and market share of "consumer loans excluding credit cards" was 12.4 %.
- Total customer deposits reached TL 267 billion 193 million and 5 thousand, while market share in total customer deposits reached 11.9%.
- Capital adequacy ratio (CAR) realized at 16.9%.
- Non-performing loan (NPL) ratio realized at 4.18%.

* Reserve for Employee Termination Benefits, Impairment Losses on Tangible Assets and Impairment Losses on Assets to be Disposed are included in provisions.

**Excludes non-recurring items (gains on asset sales) when annualizing Net Income for the rest of the year. In the calculation of average assets and equity, 01.01.2018 restated balance sheet has been used.

Note: Bank-only figures are used in market share calculations for fair comparison.